

Section 17-11. - City credit card policy.

1. *Purpose.* The City's credit card is a purchase card system, benefiting the City's departments through prompt payment to suppliers for low value purchases. Use of a City credit card benefits City employees by saving labor and time.
2. *Generally.* The City Manager may approve use of City credit cards by selected City department heads and other City employees (other than any employee of the Finance Department) to facilitate expeditious purchases for travel related expenses and for materials and services unrelated to travel.
3. *Authorized employees.*
 - a. The City Manager may authorize use of a City credit card, for intermittent use or continuing use, for any City employee who consents to use of the credit card and for whom the employee's department head consents to use by that employee. No City employee shall be required to use a City credit card. Any City employee who consents to use a City credit card shall first sign an employee consent statement, the provisions for which shall include the employee's pledge to use the credit card for business purposes only, authorization for the City to the amount of deduct any unauthorized purchases from the employee's wages, and the employee's acknowledgement of the applicable credit limit on the employee's use of the card. If City issued credit cards are used for personal use or any stated violation in this section, the cost of such purchase(s) will be considered an advance of future wages payable to the employee who made the purchase, and will be recovered in full from the employee's wages until the wage advance is fully repaid. Such wage deductions may result in receipt of wages by the employee below minimum wage for the pay period(s) subject to deduction.
 - b. For any City credit card issued to a City employee who is not a department head, the employee's department head must also approve the consent statement for issuance of the credit card and acknowledge the responsibility of the department head to monitor proper use of the card. No City employee who is authorized to use a City credit card may allow use of the credit card by any designee, employee or individual who has not signed an employee consent statement and received authorization for its use by the City Manager.
4. *Authorized purchase purposes.* Authorized employees may use City issued credit cards only for official business purchases of materials and services and for business travel expenses. The City's credit card serves as a means of payment only, and use of the card does not eliminate the need for employee compliance with other regulations concerning purchasing, budgeting and pre-authorization for travel.
5. *Prohibited purchases.* The City credit card may not be used to charge personal purchases; food may not be purchased with the City credit card except food incident to approved business travel and purchases pursuant to express permission from the City Manager. Prohibited uses of the City credit card include but are not limited to:
 - a. purchase of items substantially for personal use;
 - b. purchase of items in violation of the travel policy;
 - c. use of credit card for cash advances; and
 - d. unauthorized food purchases.
6. *Purchase amount restrictions.* Authorized employees may use the City credit card to purchase up to \$1,000.00 per day for operating supplies or services and up to \$5,000.00 per for travel expenses pursuant to the City's travel policy, with a daily limit of \$5,000.00 for all such purchases. The City Manager may authorize a lower limit for any employee on a continuing basis, or may authorize a higher limit temporarily due to exceptional circumstances.
7. *Ownership and cancellation of the credit card.* The authorized employee and his department head are accountable for all activity on the credit card issued. The bank or the City Manager may limit, suspend or terminate charging privileges at any time without cause. If requested to do so, the

employee cardholder will surrender the credit card upon request to the Finance Department, or to any authorized agent of the issuing bank if the bank so requests.

8. *Department head responsibility.* For every department for which a City credit card has been issued, the department head shall:
 - a. refrain from authorizing any subordinate employee to use a City credit card unless the employee has signed a consent agreement and received authorization to use the credit card from the City Manager;
 - b. know and observe the credit card's limitations and restrictions;
 - c. monitor card usage and require internal policies and procedures to be followed;
 - d. maintain proper record keeping; and
 - e. perform timely reconciliation and supply supporting documentation to the Finance Department within 60 days after any credit card purchase.
9. *Protecting the Credit Card.* Every holder of a City credit card shall protect it from theft and misuse, and shall treat it with the same care and security required for personal credit cards, bankcards, cash, and checks. Every employee authorized to use the City credit card shall sign the credit card immediately upon receipt, and store the City credit card in one or more a secure locations at all times. If a City credit card is lost or stolen, the authorized employee or his department head shall immediately contact the issuing bank's 24-hour toll-free number and notify the Finance Department.
10. *City Manager's authority to vary restrictions.* The City Manager is authorized to waive the restrictions of this policy concerning: (a) types of allowable purchases, (b) allowable time for reconciliation and (c) dollar limits on purchases, due to exceptional circumstances. The City Manager's authorization shall be documented in writing to the Finance Department, stating any applicable limits on such departures from this policy.
11. *Compliance with policy.* The Finance Department will investigate any suspected employee violations of this policy and refer any violations to the City Manager for sanctions. Sanctions for an employee who has made inappropriate charges with City credit card may include employee termination or other discipline, revocation or suspension or limitation of credit card privileges, and criminal prosecution. Sanctions for a department head innocent of any wrongful use of the credit card but whose subordinate employee has violated of this policy shall exclude personal discipline, but the City Manager may terminate or limit or suspend the credit card privileges of that department head regardless of personal culpability. The City Manager may consider human error and extraordinary circumstances when dealing with any violation of this policy.

(Ord. No. [O-2018-7](#), § 1, 3-5-2018)